

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

GUARDIAN INDUSTRIES CORPORATION,)	
)	
Plaintiff,)	
)	
v.)	C. A. No. 05-27-SLR
)	
DELL, INC. et al.,)	
)	
Defendants.)	

**MAG TECHNOLOGY USA, INC.'S MOTION TO STAY PENDING
RESOLUTION OF THE CASES AGAINST LCD MODULE MANUFACTURERS**

Defendant MAG Technology USA, Inc. ("MAG USA") respectfully moves this Court to enter an Order staying the above-captioned action against MAG USA pending the final resolution of Plaintiff Guardian Industries Corporation's ("Guardian") claims against the liquid crystal display ("LCD") product manufacturers in this action.

Guardian has brought suit before against other defendants in a separate case (hereinafter referred to as "Guardian I"). However, the facts in this case are significantly different than the facts in Guardian I. First, in this case the defendants include both the LCD manufacturers, as well as a significant number of customers. In Guardian I, Guardian focused its claims primarily against the LCD manufacturers. Second, in this case there are substantially more customer defendants than were present in Guardian I. Allowing discovery to proceed with respect to these customer defendants, most of whom have little if any knowledge about the accused products, would needlessly complicate discovery. Third, and perhaps most importantly, none of the defendants in Guardian I moved to stay the case prior to the commencement of discovery.

The LCD manufacturers are the real parties in interest in this case. The LCD manufacturers, not the customers like MAG USA, are the parties with detailed

knowledge of the design, structure, and manufacture of the allegedly infringing LCDs, and the parties with the information and documentation to defend against Guardian's claims. Indeed, from 1999-2002, MAG USA purchased products which were fully assembled by third party original equipment manufacturers ("OEMs"), who integrated LCDs into these fully assembled products. MAG USA is therefore a customer of the third party OEMs and thus has limited knowledge and information regarding the design and manufacture of the LCDs incorporated into the fully assembled products.

In an attempt to simplify this case, MAG USA now moves to stay the action, thereby allowing the LCD manufacturers to logically take the lead. Further, staying this case against MAG USA and the other customer defendants pending resolution of Guardian's claims against the LCD manufacturers would further the interests of justice and litigation efficiency and economy by significantly streamlining and simplifying the issues, discovery, and trial in this complex, multi-party case.

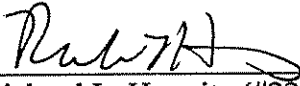
MAG USA submits the Declaration of Susan Chang (Exhibit A hereto) in support of this motion. In addition, MAG USA joins in and incorporates by reference the points and authorities set forth in the briefs in support of the motions to stay filed by Dell, Inc. on June 3, 2005, and Gateway, Inc. on June 8, 2005, as grounds for this Motion. A proposed Order granting MAG USA's motion is attached hereto.

Rule 7.1.1 Certification. Counsel for MAG USA have consulted with counsel for Plaintiff Guardian Industries Corporation pursuant to Delaware Local Rule 7.1.1 and have been advised that Plaintiff will not consent to the relief sought by this Motion.

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Dated: July 15, 2005

690655

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

GUARDIAN INDUSTRIES CORP.,

Plaintiff,

v.

DELL, INC.; GATEWAY, INC.;
HEWLETT-PACKARD COMPANY; ACER INC.;
ACER AMERICA CORPORATION; AOC INTERNATIONAL;
ENVISION PERIPHERALS, INC.; TPV TECHNOLOGY, LTD.;
TPV INTERNATIONAL (USA), INC.;
AU OPTRONICS CORPORATION;
AU OPTRONICS CORPORATION AMERICA a/k/a
AU OPTRONICS AMERICA, INC.;
BENQ CORPORATION; BENQ AMERICA CORPORATION;
CHUNGHWA PICTURE TUBES, LTD. a/k/a
CHUNGHWA PICTURE TUBES COMPANY;
TATUNG COMPANY;
TATUNG COMPANY OF AMERICA, INC.;
BOE HYDIS TECHNOLOGY COMPANY, LTD.;
BOE HYDIS AMERICA INC.; CHI MEI OPTOELECTRONICS;
COMPAL ELECTRONICS, INC.;
HANNSTAR DISPLAY CORPORATION; JEAN CO., LTD.;
LITE-ON TECHNOLOGY CORPORATION;
LITE-ON, INC. a/k/a LITEON TRADING USA, INC.;
MAG TECHNOLOGY COMPANY, LTD.;
MAG TECHNOLOGY USA, INC.;
PROVIEW INTERNATIONAL HOLDINGS, LTD.;
PROVIEW TECHNOLOGY, INC.;
PROVIEW ELECTRONICS COMPANY, LTD.; and
QUANTA DISPLAY, INC.

Defendants.

Case No.: 05-27-SLR

Jury Trial Demanded

DECLARATION OF MAG TECHNOLOGY USA, INC.

I, Susan Chang, hereby declare as follows:

1. I am an employee of MAG Technology USA, Inc. ("MAG USA"), a defendant in this action. Among other things, I am responsible for the day-to-day operations of MAG USA, including the procurement of monitors for MAG USA. In this position, I have access to and am familiar with business records and information concerning MAG USA's purchase of liquid crystal displays ("LCD's") and LCD-containing products from third party suppliers.
2. I submit this declaration in support of MAG USA's motion to stay this case against MAG USA. The facts stated herein are based on my personal knowledge and my review of MAG USA's books, business records and other business information, as well as my conversations with other MAG USA employees. If called to testify regarding the same, I could do so competently.
3. I understand that Guardian Industries Corporation ("Guardian") has filed a lawsuit against MAG USA alleging infringement of U.S. Patent No. 5,570,214, entitled "Normally White Twisted Nematic LCD with Retardation Films on Opposite Sides of Liquid Crystal Materials for Improved Viewing Zone," U.S. Patent No. 5,694,187, entitled "LCD Including a Negative Biaxial Retarded on Each Side of The Liquid Crystal Layer, " U.S. Patent No. 6,226,065, entitled "Liquid Crystal Display Having High Contrast Viewing Zone Centered in Positive or Negative Vertical Region," and U.S. Patent No. 6,229,588, entitled "Normally White LCD Including First and Second Biaxial Retarders," (referred to collectively herein as "the patents-in-suit"). I understand that each of the patents-in-suit is directed to a certain type of LCD. I further understand that Guardian has not specified in its Complaint or First Amended Complaint the specific products accused of infringement, but has generally alleged that "[o]n information and belief, Defendants each sell LCD product(s) that include a version of Fuji Wide View (WV) film."

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4. From 1999-2002, MAG USA was in the business of selling computer monitors and related peripherals. MAG USA stopped selling computer monitors and related peripherals in 2002.

5. From 1999-2002, MAG USA did not manufacture or design LCD's. Instead, MAG USA purchased products which were fully assembled by third party original equipment manufacturers ("OEMs"), who integrated the LCD's into finished products sold by MAG USA.


6. Upon review of Guardian's Complain in this action, MAG USA attempted to determine the following information about the LCD-containing products it purchased from 1999 through 2002: Because MAG USA purchased products which were fully assembled by third parties, MAG USA does not know who supplied the LCDs incorporated into the fully assembled products that MAG USA purchased from third party OEMs.

7. When MAG USA purchased LCD's and LCD-containing products from third party OEM's, MAG USA may have specified that the LCD's must meet specific requirements, such as refresh rate and brightness. However, MAG USA did not specify how those requirements must be met and is not provided technical information by the supplier or the OEM explaining how the requirements are met in the ordinary course of business. MAG USA did not request and is not provided information by suppliers or OEM's regarding the specific components of the LCD products that MAG USA purchases, such as what type or how many different polarizers or films are used in the LCD's.

8. For all the above reasons, MAG USA cannot identify which of the LCD products it had purchased and then resold that allegedly infringe the patents-in-suit.

I declare that the foregoing is true and accurate to the best of my knowledge under penalty of perjury of the laws of the United States.

Dated: July 13, 2005



Susan Chang

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

CERTIFICATE OF SERVICE

I, Richard L. Horwitz, hereby certify that on July 15, 2005, the attached document was hand delivered to the following persons and was electronically filed with the Clerk of the Court using CM/ECF which will send notification of such filing(s) to the following and the document is available for viewing and downloading from CM/ECF:

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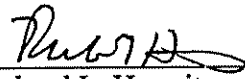
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